Irregularities in State Bank of Indore

1100. SHRI DIGVIJAY SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether any complaints have been received by the Regional Office of State Bank of Indore, New Delhi regarding serious irregularities/lapses in the writing of Day Book and posting of General ledger; and

(b) if so, the out-come of the inquiry and the action taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) State Bank of Indore has reported that its New Delhi Regional Office had received a complaint against Janakpuri Branch of the Bank about alleged lapses committed by an employee of the branch about writing of day-book/general ledger. On investigation of the complaint by the Regional Office it was found that the concerned employee had committed procedural lapses in the writing of day book/general ledger of the branch. The Branch Manager has been instructed by the bank to ensure that the bank's systems and procedures are followed meticulously.

Rehabilitation plan for sick units by BIFR

1101. SHRI G. Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Board for Industrial and Financial Reconstruction (BIFR) is evolving new working style for the rehabilitation of sick companies:

(b) if so, its broad features and how far will it go to check the growing sickness in the industry:

(c) whether the BIFR has blamed promoters and entrepreneurs being partly responsible for delays in the rehabilitation of sick units for their failure to bring in promoters contribution on time and according to the prescribed percentage; and

(d) if so, what steps Government propose to take to ensure the implementation of the rehabilitation plans quickly and see that the fake 'sick' companies are not being referred to the Board with many companies opting for BIFR coverage in order to get financial concessions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) No, Sir.

(b) Does not arise.

(c) The Board for Industrial and Financial Reconstruction (BIFR) has reported that one of the main difficulties in implementation of rehabilitation schemes sanctioned by it is the half-hearted approach to revival of the sick companies on the part of some promoters.

(d) BIFR has reported that rehabilitation scheme sanctioned by it incorporate an implementation schedule, the adherence to which is reviewed within 2-3 months of sanctioning the scheme so as to ensure that the required preliminary action is set in motion and the implementation takes off. Companies implementing revival schemes are required to send periodical progress reports to the BIFR and these reports are scrutinised closely and action initiated wherever necessary. In cases where the progress is unsatisfactory, the BIFR may declare the scheme 'failed', after giving an opportunity of being heard to all concerned.

References received by BIFR are scrutinised closely by its Registrar before registration and a company is declared sick by BIFR only after giving a personal hearing to all concerned

and taking into account *inter-alia*, the financial position as brought out by the audited balance sheet of the concerned company.

Indian's claims in BCCI settlement

1102. SHRI G. Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether Govt's attention has been drawn to the news-item captioned Indians give up millions in BCCI settlement' appearing in the "Business Standard", New Delhi dated the 31st December, 1994;

(b) if so, the facts of the matter reported therein, as gathered by his Ministry and his reaction thereto;

(c) whether it has been possible to get information about the Indian depositors giving up a million dollars in the collapsed Bank of Credit and Commerce International (BCCI); and

(d) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) to (d) Reserve Bank of India (RBI) has intimated that a Sale Agreement was entered into with the Joint Official Liquidators of the Cayman Islands which enabled the State Bank of India to take over the assets (except specific assets) and liabilities of the Bombay Branch of the BCCI (O) Ltd. Under the Sale Agreement, all the depositors of the branch will be paid in full with interest at contracted rates. A wholly owned subsidiary of the State Bank of India *viz* SBI Commercial and International Bank Ltd. (SBICI) has since taken over the assets and liabilities of the Bombay Branch of the BCCI (O) Ltd. and commenced operation from January 1994. As regards the Global Operations of BCCI (other than its Bombay Branch). RBI has intimated that the repayment of deposits to the depositors is governed by the provisions of the agreements entered into with the concerned liquidators of the Bank.

Total Assets of Late Swami Dhirendra Brahmachari

1103. SHRI VIREN J. SHAH:
SHRI PRAMOD MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a report published in the Hindustan Times of March 1, 1995 under the caption, "Brahmachari's billions up for grabs";

(b) if so, what are the facts and details of the movable and immovable assets of late Sami Dhirendra Brahmachari, in India and in foreign countries;

(c) what is the present value with details of each property, Ashrams, agricultural and urban land and buildings, vehicles, aircraft and factories and other valuables, i.e. jewellery money in cash and in banks and other financial institutions and what is the total value of his movable and immovable assets;

(d) whether Government have made any enquiry as to how he acquired such a massive property, if so, what are the details thereof,

(e) what are the details of the income tax returns submitted by him, how much income tax dues are at present outstanding against him and how Government propose to recover them: and

(f) how Government propose to dispose of his assets?